

Message Text

LIMITED OFFICIAL USE

PAGE 01 USBERL 02153 251652Z

51

ACTION EUR-12

INFO OCT-01 ISO-00 EURE-00 IO-10 ACDA-05 CIAE-00 DODE-00

PM-03 H-01 INR-05 L-02 NSAE-00 NSC-05 PA-01 RSC-01

PRS-01 SP-02 SS-15 USIA-06 NIC-01 SAJ-01 EB-07 FAA-00

DOT-00 TRSE-00 /079 W

----- 104537

P R 251530Z NOV 74

FM USMISSION USBERLIN

TO SECSTATE WASHDC PRIORITY 165

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

USMISSION NATO

LIMITED OFFICIAL USE USBERLIN 2153

E.O. 11652: N/A

TAGS: PFOR, ETRN, WB, GW, US, UK,FR

SUBJECT: UK REQUEST FOR POLITICAL CONSULTATIONS ON
BERLIN AIR SERVICES

REF: STATE 252944

BONN 18107

1. SUMMARY: THE 26 PERCENT DROP IN IGS BERLIN PASSENGER
TRAFFIC FROM 1971 THROUGH 1973 MAY REACH 33 PERCENT IN 1974
BASED ON FULL-YEAR PROJECTIONS. TOTAL BERLIN PASSENGER
TRAFFIC BY SURFACE AND AIR, INCREASED 26.3 PERCENT BETWEEN
1971 AND 1973, ALTHOUGH IT MAY BE RECEDING THIS YEAR.
CONSTANTLY RISING FARES ARE AN IMPORTANT FACTOR
IN FALLING AIR TRAFFIC AND FURTHER FARE INCREASE WILL
PROBABLY RESULT IN ANOTHER DROP IN THE NUMBER OF PASSENGERS
CARRIED AND IN FLIGHT FREQUENCIES. END SUMMARY.

2. FOLLOWING TABLE PROVIDES DATA FOR PASSENGER TRAFFIC
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 USBERL 02153 251652Z

BETWEEN BERLIN AND FRG 1971 TO DATE.

YEAR 1971

IGS 5,486,400 PANAM 3,511,575 BA 1,974,825

TOTAL TRAFFIC	PERCENTAGE OF TOTAL GAIN OR LOSS OVER TRAFFIC PREVIOUS YEAR	
---------------	--	--

13,905,934	7.6 PERCENT	
ROAD 6,518,881	46.9 PERCENT	4.5 PERCENT
AIR 6,121,406	44.0 PERCENT	10.3 PERCENT
RAIL 1,265,647	9.1 PERCENT	11.4 PERCENT

YEAR 1972

IGS 4,825,660 PANAM 3,111,422 BA 1,714,238

TOTAL TRAFFIC		
16,050,468	15.4 PERCENT	
ROAD 9,071,185	56.5 PERCENT	39.2 PERCENT
AIR 5,521,803	34.4 PERCENT	-9.8 PERCENT
RAIL 1,457,507	9.1 PERCENT	15.2 PERCENT

YEAR 1973

IGS 4,005,126 PANAM 2,512,737 BA 1,486,899

TOTAL TRAFFIC		
17,559,196	9.4 PERCENT	
ROAD 10,807,924	64.2 PERCENT	19.1 PERCENT
AIR 4,772,512	27.2 PERCENT	-13.6 PERCENT
RAIL 1,978,760	11.3 PERCENT	35.8 PERCENT

YEAR 1974 (JANUARY 1 TO SEPTEMBER 30)

IGS 2,666,013 PANAM 1,680,655 BA 985,348

TOTAL TRAFFIC		
LIMITED OFFICIAL USE		

LIMITED OFFICIAL USE	
----------------------	--

PAGE 03 USBERL 02153 251652Z

13,877,525	-1.2 PERCENT	
ROAD 8,909,544	64.2 PERCENT	0.4 PERCENT
AIR 3,312,078	23.9 PERCENT	-9.2PERCENT
RAIL 1,655,903	11.9 PERCENT	8.7 PERCENT

3. FREIGHT TONNAGE CARRIED TO AND FROM BERLIN BY AIR HAS
SIMILARLY DECLINED IN ABSOLUTE VOLUME AND AS A PERCENTAGE OF
ALL FREIGHT TRAFFIC: 1972 INBOUND 20,347, OUTBOUND 12,688;

1973 INBOUND 12,579, OUTBOUND 18,152; 1974 (9 MONTH) INBOUND
11,174, OUTBOUND 7,526.

4. BERLIN AIR TRAFFIC MANAGERS NOW WORK TENTATIVELY WITH
A 3 PERCENT FACTOR BASED ON CALCULATIONS WHICH
HISTORICALLY HAVE BEEN MEANINGFUL. THEY ASSUME A 10 PERCENT
RISE IN FARES RESULTS IN 3 PERCENT DROP IN PASSENGER TRAFFIC.
(UNDER PRESENT CONDITIONS MISSION BELIEVES DROP COULD

BE 6 PERCENT). FACED WITH FUEL COSTS WHICH HAVE RISEN FROM 12
PERCENT OF OPERATING COSTS TO 20 PERCENT, THEY SEE SOME COMBINATION
OF LESS SERVICE AND HIGHER FARES AS ESSENTIAL. THEY ARE AWARE
THAT THERE ARE LIMITS TO REDUCTIONS IN FLIGHTS, SINCE THAT TOO
MAKES AIR OPTION LESS ATTRACTIVE IN TERMS OF TIME.

5. AS TO PROJECTIONS, WE BELIEVE POST-QA INCREASE IN
BERLIN PASSENGER TRAFFIC REFLECTS GROWTH IN TOURIST COMPONENT
RATHER THAN IN NUMBER OF BUSINESS VISITS. ECONOMIC FACTORS
LOOM LARGE IN TOURIST'S CHOICE OF MODE OF TRAVEL. IN ADDITION,
GENERAL ECONOMIC SITUATION MAY BE PARTIALLY RESPONSIBLE
FOR LEVELING OFF OF ALL TRAFFIC THIS YEAR. THERE IS ALSO
SIGNIFICANTLY DECLINING WILLINGNESS OF WEST GERMANS AND
BERLINERS TO PAY CONSTANTLY RISING FARES FOR AIR TRAVEL, IN
ORDER TO AVOID SUBJECTION TO GDR JURISDICTION WHICH IN TRANSIT
STATUS. EACH AIR FARE INCREASE FAVORS SURFACE TRANSPORTATION
OPTION.

6. IN SUM, WE CAN FIND NO PERSUASIVE REASON TO BELIEVE THAT A
FURTHER HIKE IN FARES WILL NOT RESULT IN DECREASE IN PASSENGERS
WITH PROSPECT OF FURTHER REDUCTION IN FLIGHTS TO INCREASE LOAD
FACTOR. AIRLINES APPARENTLY DO NOT CONSIDER IT FEASIBLE
TO EXPERIMENT WITH A REDUCED FARE TO INCREASE THEIR
LOAD FACTOR, POSSIBLE COMBINING THIS WITH REDUCED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 USBERL 02153 251652Z

SERVICE. IN ANY CASE SOME FURTHER REDUCTION IN FLIGHT
FREQUENCY SEEMS A POSSIBILITY WHETHER OR NOT THE FARE
INCREASES ARE GRANTED. SELIGMANN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BERLIN AIR ACCESS, AIR ROUTES, AIR SCHEDULES, MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 NOV 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974USBERL02153
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740341-0730
From: USBERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741113/aaaaakzv.tel
Line Count: 157
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 252944
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 07 MAY 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 MAY 2002 by boyleja>; APPROVED <20-Nov-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UK REQUEST FOR POLITICAL CONSULTATIONS ON BERLIN AIR SERVICES
TAGS: PFOR, ETRN, WB, GE, US, UK, FR
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005